



 Print whole section

myTax 2018 Salary, wages, allowances, tips, bonuses etc.

How to complete the salary and wages section of your tax return using myTax.

Last updated 28 June 2018

Include income shown on a *PAYG payment summary - individual non-business* from any of the following:

- [salary or wages](#)
- [allowances, earnings, tips, directors fees etc](#)
- [employer lump sum A or B payments](#)
- [lump sum D payments](#)
- [lump sum E payments in arrears](#)
- Community Development Employment Project (CDEP)
- exempt foreign employment income.

If your payment summary also shows any of the following, include those details here:

- reportable fringe benefits amount (for more information, see [Total reportable fringe benefit amounts](#))
- reportable employer superannuation contributions (for more information, see [Reportable employer superannuation contributions](#))
- workplace giving (for more information, see [Gifts or donations](#))
- union or professional association fees (for more information, see [Other work-related expenses](#)).

Do not show at this section

If you:

- received a *PAYG payment summary - foreign employment*, show these amounts at **Foreign employment income** in the **Payment summaries** section.
- are an Australian Government agency employee (and not a member of a disciplined force), show income earned from delivering Australian official development assistance (ODA) at **Foreign employment income** in the **Payment summaries** section. You are no longer eligible for an Australian income tax exemption on this income.
- received income for work or services performed in the Joint Petroleum Development Area (JPDA), show this income at **Foreign employment income** in the **Payment summaries** section.
- received a *PAYG payment summary - superannuation income stream*, show these amounts at **Super income stream** in the **Payment summaries** section.

If you can't see these sections, use the **Personalise return** screen to select those sections that apply to you. For further help with personalising your return, see [How to personalise your return](#).

Completing this section

You will need your *PAYG payment summary – individual non-business* or a comparable statement such as a letter or signed statement from each employer or payer.

If you do not have all your payment summaries or comparable statements, contact your employer or payer for a copy or comparable statement. If you are unsuccessful in obtaining any of these, see [Lost or missing PAYG withholding payment summary](#).

We have pre-filled your tax return with payment summary information provided to us. Check for salary, wages, allowances, tips, bonuses etc. (including lump sum A, B, D or E payments) you received that are not pre-filled and ensure you add them.

1. Enter the **Occupation where you earned most income**.

If you cannot find your specific occupation, choose the most appropriate one that applies to you.

2. For each payment summary that has not been pre-filled in your tax return, select **Add** and enter information into the corresponding fields.
3. For each payment summary that has a **Gross payment** greater than '0', you must provide the Payer's Australian business number (ABN) or Withholding payer number (WPN). If you don't know the ABN check with your payer or [look-up the ABN](#).
4. For each payment summary that has a **Lump sum A** greater than '0', select the **Lump sum A type**.
5. For each payment summary that has a **Lump sum B** greater than '0', enter the full amount. myTax will divide the **Lump sum B** amount by 20 and include that as your income. This is because only 5% is taxable.
6. For each payment summary that has a **Lump sum E** greater than '0', enter the required additional information (year and amount earned) and select **Save**. If the payment relates to more than one year, select **Add** and provide additional details.
7. For each payment summary that has **Exempt foreign employment income** greater than '0':
 - enter the **Foreign tax paid on exempt foreign employment income**
 - select the **Country employed in**
 - answer the question **Does the exempt foreign employment income include a payment in arrears?**
If **Yes**, enter the **Lump sum in arrears in \$AUD** and the required additional information (year and amount earned), and select **Save**. If the payment relates to more than one year, select **Add** and provide additional details.
8. Select **Save**.
9. Select **Save and continue**.

Tax tips

Make sure you keep all your records for five years from the date you lodge your tax return. A shorter record-keeping period may apply in some situations. There is more information on record keeping and written evidence in [Keeping your tax records](#). If:

- you are between 18 and 35 years old, and
- you indicated that you earned income while you held a Working Holiday visa (subclass 417) or Work and Holiday visa (subclass 462)

you must ensure Working holiday maker net income in the **Adjustments** section is also completed.

QC 55471

Salary or wages

See what is included in income from salary or wages.

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This section is about income from salary or wages from which tax was withheld. Income from salary or wages includes:

- salary and wages
- commissions
- bonuses
- income from part-time or casual work
- parental leave pay
- dad-and-partner pay
- amounts for lost salary or wages paid under
 - an income protection policy
 - a sickness or accident insurance policy
 - a workers compensation scheme.

QC 55471

Allowances, earnings, tips, directors fees etc

See what payments of income from working you need to include in your tax return.

Last updated 28 June 2018

This section is about payments of income from working. These include:

- allowances
- payments from which tax was not withheld, including
 - salary, wages, commissions, bonuses
 - income earned from part-time and casual jobs
 - income from income protection, sickness and accident insurance policies
- tips, gratuities and payments for your services
- consultation fees
- payments for voluntary services (honoraria).

Allowances include:

- car, travel and transport allowances, and reimbursements of car expenses (calculated by reference to the distance travelled by the car, such as 'cents-per-kilometre' allowances)
- award transport payments (paid under an industrial law or award that was in force on 29 October 1986)
- tool, clothing and laundry allowances
- dirt, height, site, first aid and risk allowances
- meal and entertainment allowances.

If you received a travel or an overtime meal allowance paid under an industrial law, award or agreement, do not show it on your tax return if:

- you spent the whole amount on deductible expenses
- it was not shown on your payment summary, and

- it does not exceed the Commissioner's reasonable allowance amount.

You cannot claim deductions for expenses that you paid for with that allowance. For more information, see [Taxation Determination TD 2017/19 *Income tax: what are the reasonable travel and overtime meal allowance expense amounts for the 2017–18 income year?*](#)

QC 55471

Lump sum payments

How to complete the lump sum payments section.

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Employer lump sum A or B payments

These are any lump sum payments you received from your employer for unused annual leave or unused long service leave.

Lump sum D payments

These are the tax-free components of a genuine redundancy payment or an early retirement. This tax-free income will not be included in your taxable income.

Lump sum E payments in arrears

These payments relate to an earlier income year or years and should normally be shown at 'E' on your *PAYG payment summary - individual non-business*.

Include at this section any lump sum payments you received in relation to the following:

- back payments of salary or wages that accrued in a period more than 12 months before the date of payment

- salary or wages that accrued during a period of suspension and were paid to you on resuming duty
- back payments of non-superannuation annuities that accrued, in whole or in part, in an earlier year or years of income
- back payments of repatriation and social welfare pensions, allowances or payments, including those paid by foreign governments
- back payments of periodical workers and accident compensation payments but not payments made to the owner of the policy
- back payments of Commonwealth education or training payments.

You may get a tax offset if you received certain lump sum payments in 2017–18. We will calculate the tax offset for you based on the information you provide in your tax return.

QC 55471

Our commitment to you

We are committed to providing you with accurate, consistent and clear information to help you understand your rights and entitlements and meet your obligations.

If you follow our information and it turns out to be incorrect, or it is misleading and you make a mistake as a result, we will take that into account when determining what action, if any, we should take.

Some of the information on this website applies to a specific financial year. This is clearly marked. Make sure you have the information for the right year before making decisions based on that information.

If you feel that our information does not fully cover your circumstances, or you are unsure how it applies to you, contact us or seek professional advice.

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